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Q2 2026 INVESTMENT REPORT

Aviva Investors Retirement Income Portfolios

AVIVA INVESTORS

Executive summary

Despite a quarter dominated by geopolitical uncertainty, markets delivered strong returns across both growth and defensive assets. Global equities rose 14.1%, driven by easing stagflation fears, resilient corporate earnings and growing confidence that the AI investment boom remains intact, with US hyperscalers continuing to increase spending plans and 2026 AI and data centre capex now approaching $700 billion. Asia Pacific equities were the standout performer, returning 23.9%, benefiting from significant exposure to semiconductor and technology hardware companies at the centre of the AI buildout. Meanwhile, defensive assets also performed well as inflation concerns moderated and government bonds recovered, with gilts returning 2.1% and outperforming global government bonds. While central banks remained hawkish, including further rate hikes from the ECB and Bank of Japan, improving market sentiment and a more supportive inflation backdrop helped both equities and bonds generate positive returns over the quarter.

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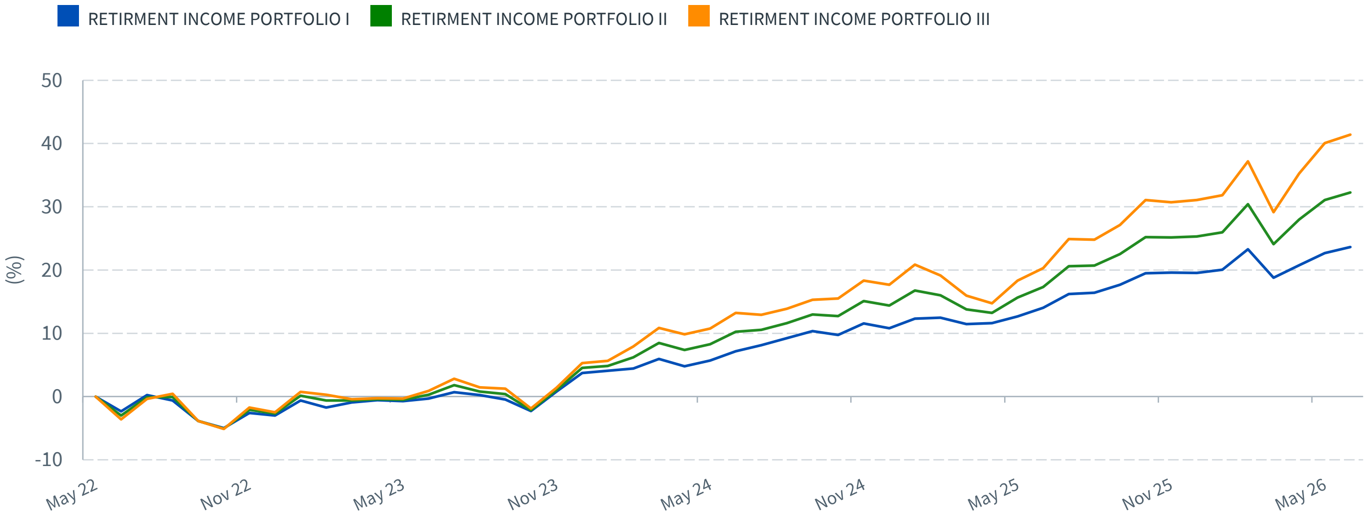


	Retirement Income Portfolio I	Retirement Income Portfolio II	Retirement Income Portfolio III
3 month	+4.08	+6.60	+9.50
6 month	+3.41	+5.53	+7.90
YTD	+3.41	+5.53	+7.90
1 Year	+8.41	+12.73	+17.56
3 Years (annualised)	+7.45	+9.66	+11.90
SI Annualised	+5.36	+7.12	+8.90

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026. Performance of the Retirement portfolios is based on representative share classes of the underlying funds (after charges), but before the deduction of the Portfolio Management Fee.

Market review

Despite a quarter dominated by geopolitics, equity markets delivered exceptionally strong returns, with global equities rising 14.1%. This was driven by easing stagflation fears and growing confidence that the AI investment boom remains intact. US hyperscalers continued to increase spending plans, with 2026 AI and data centre capex guidance now approaching an eye-watering $700 billion. That optimism fed through to earnings expectations, with forecasts for global equity earnings growth in 2026 rising sharply, led by technology stocks. Asia Pacific equities were standout performers, returning +23.9%, supported by their significant exposure to semiconductors and technology hardware companies at the heart of the AI buildout. Samsung Electronics surged +77% as investors continued to favour the "picks and shovels" providers supplying the AI boom. Our overweight positions in the US and Emerging Markets added to performance, alongside sector overweights in European basic resources and banks, while US Energy and European defence detracted slightly.

Defensive assets also performed well, with easing inflation concerns helping sovereign bonds recover. Gilts returned +2.1%, outperforming Global Treasuries as markets welcomed Prime Minister Starmer's resignation, removing an overhang on sentiment. The "Burnham Premium" continued to fade as he reiterated his commitment to fiscal discipline, supporting both gilts and sterling assets. Elsewhere, central banks remained hawkish, with the ECB and Bank of Japan delivering further rate hikes. In the US, the first Fed meeting under new Chair Kevin Warsh was more hawkish than expected, prompting a repricing of rate expectations. Markets began the quarter expecting no further hikes this year but ended it pricing in more than one by December. Against this backdrop, our overweight to UK gilts relative to US Treasuries and our overweight to the Australian Dollar added to performance, while underweight positions in the US Dollar and Sterling detracted.

Indices performance

	Currency	Q2 2026	1 Year	3 Years (annualised)
Equity				
Global Equity	GBP	+0.66	+12.63	+27.61
UK Equity	GBP	+0.69	+7.22	+21.89
US Equity	GBP	+0.60	+11.19	+25.45
Europe Equity	GBP	+2.80	+9.79	+22.78
Emerging Equity	GBP	-0.33	+10.36	+26.45
Pacific ex Japan Equity	GBP	+0.06	+25.59	+45.32
Japan Equity	GBP	+0.67	+16.87	+32.92
Fixed Income				
Global High Yield	GBP	+0.61	+2.72	+7.90
Global Credit	GBP	+0.33	+1.26	+4.38
Global Sovereign Bonds	GBP	+0.39	+0.78	+1.90
UK Gilts	GBP	+0.68	+0.02	+2.50
Global Inflation Linked Bonds	GBP	-0.38	+1.67	+3.37
Alternatives				
Listed Real Estate	USD	+0.86	+9.64	+13.26
Listed Infrastructure	USD	-2.22	+6.98	+11.55
Oil	USD	-18.47	+43.84	+35.98
Gold	USD	-11.78	-7.36	+21.00
Commodities	USD	-8.13	+16.98	+26.53

Source: BNY Mellon, on behalf of Aviva Investors, using data from Morningstar, as at 30 June 2026. See Appendix for more details. Returns are calculated using Close of Day Prices.

PM Quarterly Commentary

Equity Income

Despite a quarter dominated by geopolitics, equity markets had an extremely strong quarter with global equities up 14.1%. This was driven by easing fears of stagflation, and investors being increasingly confident that the AI investment boom remained intact. US hyperscalers continued to lift their spending plans, with 2026 AI and data centre capex guidance now approaching an eye-watering $700 billion. That confidence fed through to earnings expectations, with forecasts for global equity earnings growth in 2026 rising sharply over the quarter, led by the technology sector. Asia Pacific equities had an outstanding quarter, up +23.9%, helped by their significant exposure to semiconductors and technology hardware companies at the heart of the AI buildout. Samsung Electronics was a notable standout, up a huge +77% over the quarter, as investors continued to favour the "picks and shovels" providers supplying the AI boom rather than just the end users. All holdings contributed positively to performance. Unsurprisingly in this backdrop, our allocations to the JPM Emerging Market Income and Schroders Asian Income Maximiser funds were the top performers given their exposure to these sectors. Our tactical overweight to Emerging Market equities was also the best performing trade this quarter.

Defensive Income

Defensive assets also had a strong quarter, with easing inflation fears helping sovereign bonds recover. Gilts returned +2.1%, outperforming Global Treasuries as markets welcomed Prime Minister Starmer's resignation, removing an overhang that had weighed on sentiment. The "Burnham Premium" also continued to fade as he reiterated his commitment to fiscal discipline, supporting both gilts and sterling assets. Elsewhere, central banks remained firmly hawkish, with both the European Central Bank and the Bank of Japan delivering further rate hikes. In the US, the first Fed meeting under new Chair Kevin Warsh struck a more hawkish tone than anticipated, prompting a repricing of interest rate expectations. While markets began the quarter expecting no further rate increases this year, they ended it pricing in more than one hike by December. It was a positive quarter across all defensive income holdings, with our UK based holdings, including the Aviva Investors Sterling Corporate Bond fund, L&G Short Dated Sterling Corporate Bond fund and the Vanguard UK Government Bond fund, being the top performers, given the relief rally following Starmer's resignation.

Alternative Income

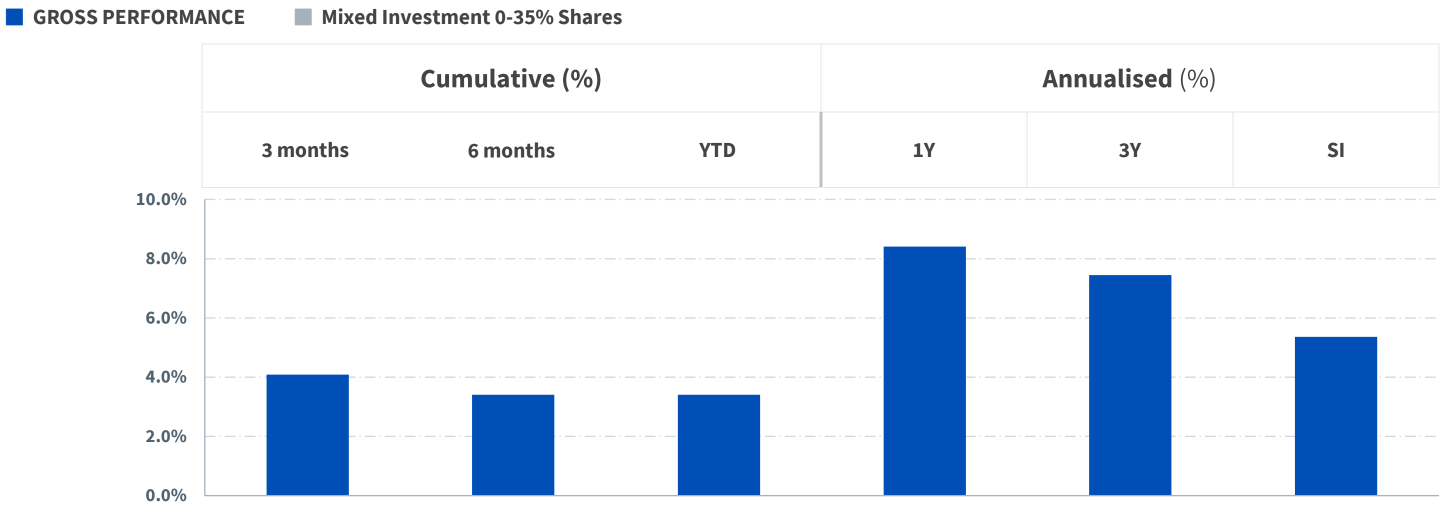
Oil was the dominant story of Q2, with Brent crude ending the quarter at pre-war levels of $72/bbl after falling -27.9% marking its biggest decline since the pandemic slump of Q1 2020. With Fed rate hikes being priced in and geopolitical risks easing, it was a tough quarter for Gold which fell -15.5%, which led our overweight position to Gold slightly detract. All holdings added to performance over Q2, with the L&G Global Real Estate Dividend Index fund being the top performer following the broad market rally.

Retirement Income Portfolio I

Fund Objective

To deliver sustainable income of 4-5% over a 25 year period, whilst aiming for a volatility of between 20% and 40% of global equities. The benchmark we use to represent the volatility of "Global Equities" is MSCI® All Countries Word Index (Net).

Performance



	Cumulative (%)			Annualised (%)		
	3 months	6 months	YTD	1Y	3Y	SI
Gross	4.08	3.41	3.41	8.41	7.45	5.36

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026. Performance of the Retirement portfolios is based on representative share classes of the underlying funds (after charges), but before the deduction of the Portfolio Management Fee.

Modified Duration
4.07 years

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026.

Retirement Income Portfolio I

Portfolio Breakdown

Asset Class	Fund	Retirement Income Portfolio I
Growth Income		**17.3%**
Global Equity	AI Global Equity Income Fund	7.4%
UK Equity	Artemis Income Fund	1.1%
North American Equity	Fidelity US Index Fund	5.0%
Europe ex-UK Equity	BlackRock Continental Europe Income Fund	1.9%
Emerging Market Equity	JP Morgan Emerging Market Income Fund	1.8%
Other Growth Income		**20.3%**
Emerging Market Debt (Local Currency)	Invesco Emerging Market Local Currency Debt Fund	3.7%
Emerging Market Debt (Hard Currency)	AI Emerging Market Hard Currency Debt Fund	2.3%
Global High Yield	AI Global High Yield Debt Fund	2.3%
Global REITs	Legal & General Global Real Estate Dividend Index Fund	3.7%
Listed Infrastructure	M&G Global Listed Infrastructure Fund	4.8%
Absolute Return	AI Multi-Strategy Target Return Fund	3.5%
Defensive Income		**62.4%**
Global Investment Grade	AI Global Investment Grade Corporate Bond Fund	15.6%
UK Corporates	AI Sterling Corporate Bond Fund	7.1%
UK Corporates	Legal & General Short Dated Sterling Corporate Bond Fund	6.1%
Global Sovereigns	AI Global Sovereign Bond Fund	26.5%
UK Gilts	Vanguard UK Government Bond Index Fund Insti Plus	5.6%
Cash/Liquidity	AI Sterling Liquidity Fund	1.6%

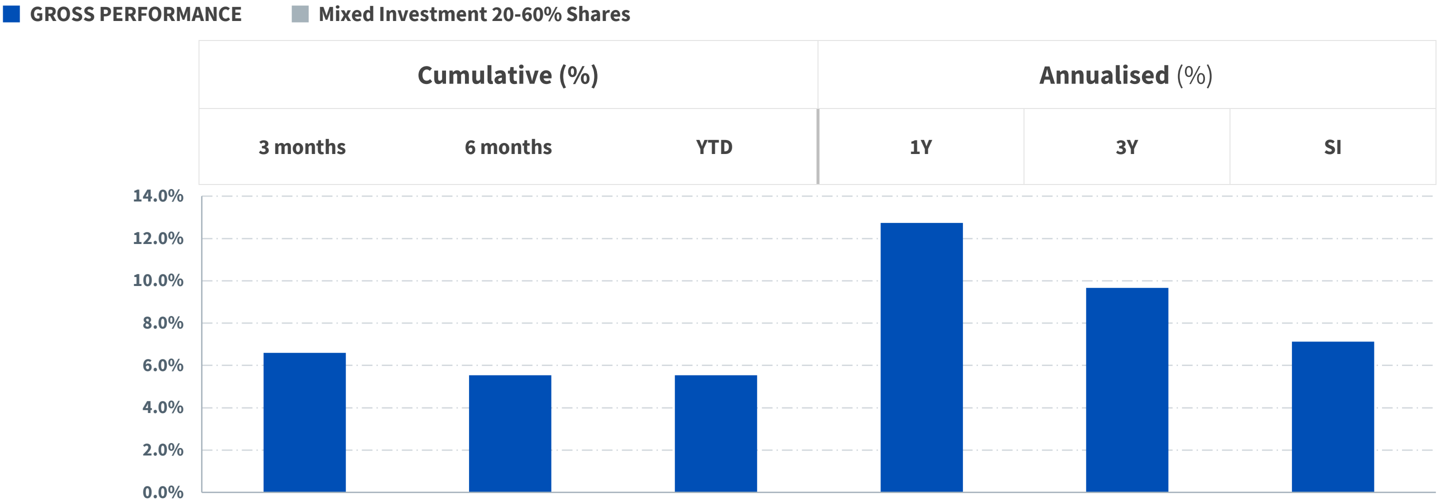
Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026.

Retirement Income Portfolio II

Fund Objective

To deliver sustainable income of 5-6% over a 25 year period, whilst aiming for a volatility of between 40% and 60% of global equities. The benchmark we use to represent the volatility of "Global Equities" is MSCI® All Countries Word Index (Net).

Performance



	Cumulative (%)			Annualised (%)		
	3 months	6 months	YTD	1Y	3Y	SI
Gross	6.60	5.53	5.53	12.73	9.66	7.12

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026. Performance of the Retirement portfolios is based on representative share classes of the underlying funds (after charges), but before the deduction of the Portfolio Management Fee.

Modified Duration
2.63 years

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026.

Retirement Income Portfolio II

Portfolio Breakdown

Asset Class	Fund	Retirement Income Portfolio II
Growth Income		**39.7%**
Global Equity	AI Global Equity Income Fund	15.0%
Global Equity	Fidelity Enhanced Global Income Fund	3.4%
UK Equity	Artemis Income Fund	2.6%
North American Equity	Fidelity US Index Fund	11.7%
Europe ex-UK Equity	BlackRock Continental Europe Income Fund	3.0%
Emerging Market Equity	JP Morgan Emerging Market Income Fund	2.7%
Asia Pacific Equity	Schroders Asian Income Maximiser Fund	1.3%
Other Growth Income		**28.4%**
Emerging Market Debt (Local Currency)	Invesco Emerging Market Local Currency Debt Fund	5.9%
Emerging Market Debt (Hard Currency)	AI Emerging Market Hard Currency Debt Fund	4.6%
Global High Yield	AI Global High Yield Debt Fund	4.6%
Global REITs	Legal & General Global Real Estate Dividend Index Fund	4.0%
Listed Infrastructure	M&G Global Listed Infrastructure Fund	5.9%
Absolute Return	AI Multi-Strategy Target Return Fund	3.4%
Defensive Income		**31.9%**
Global Investment Grade	AI Global Investment Grade Corporate Bond Fund	8.4%
UK Corporates	AI Sterling Corporate Bond Fund	4.1%
UK Corporates	Legal & General Short Dated Sterling Corporate Bond Fund	3.0%
Global Sovereigns	AI Global Sovereign Bond Fund	11.7%
UK Gilts	Vanguard UK Government Bond Index Fund Insti Plus	3.7%
Cash/Liquidity	AI Sterling Liquidity Fund	1.0%

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026.

Retirement Income Portfolio III

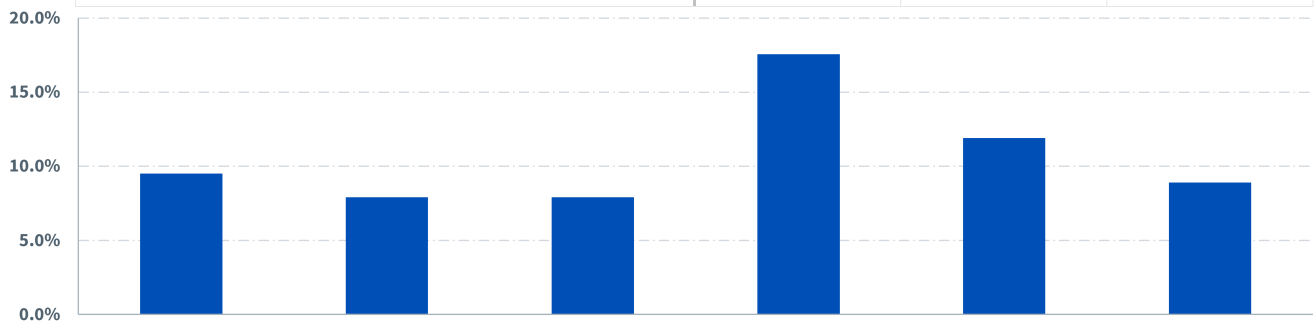
Fund Objective

To deliver sustainable income of 6-7% over a 25 year period, whilst aiming for a volatility of between 60% and 80% of global equities. The benchmark we use to represent the volatility of "Global Equities" is MSCI® All Countries Word Index (Net).

Performance

■ GROSS PERFORMANCE ■ Mixed Investment 40-85% Shares

	Cumulative (%)			Annualised (%)		
	3 months	6 months	YTD	1Y	3Y	SI



	3 months	6 months	YTD	1Y	3Y	SI
Gross	9.50	7.90	7.90	17.56	11.90	8.90

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026. Performance of the Retirement portfolios is based on representative share classes of the underlying funds (after charges), but before the deduction of the Portfolio Management Fee.

Modified Duration
1.35 years

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026.

Retirement Income Portfolio III

Portfolio Breakdown

Asset Class	Fund	Retirement Income Portfolio III
Growth Income		**61.9%**
Global Equity	AI Global Equity Income Fund	14.8%
Global Equity	Fidelity Enhanced Global Income Fund	6.9%
Global Equity	Legal & General Global Equity Index Fund	7.5%
UK Equity	Artemis Income Fund	4.1%
North American Equity	Fidelity US Index Fund	18.5%
Europe ex-UK Equity	BlackRock Continental Europe Income Fund	4.3%
Emerging Market Equity	JP Morgan Emerging Market Income Fund	3.7%
Asia Pacific Equity	Schroders Asian Income Maximiser Fund	2.0%
Other Growth Income		**29.1%**
Emerging Market Debt (Local Currency)	Invesco Emerging Market Local Currency Debt Fund	6.2%
Emerging Market Debt (Hard Currency)	AI Emerging Market Hard Currency Debt Fund	4.9%
Global High Yield	AI Global High Yield Bond Fund	4.9%
Global REITs	Legal & General Global Real Estate Dividend Index Fund	3.9%
Listed Infrastructure	M&G Global Listed Infrastructure Fund	5.8%
Absolute Return	AI Multi-Strategy Target Return Fund	3.4%
Defensive Income		**9.1%**
Global Investment Grade	AI Global Investment Grade Corporate Bond Fund	2.4%
UK Corporates	AI Sterling Corporate Bond Fund	1.6%
Global Sovereigns	AI Global Sovereign Bond Fund	2.4%
UK Gilts	Vanguard UK Government Bond Index Fund Insti Plus	1.6%
Cash/Liquidity	AI Sterling Liquidity Fund	1.0%

Source: Aviva Investors, using data from Blackrock Aladdin system, as at 30 June 2026.

AVIVA INVESTORS

Fund details

Fund manager

Sotirios Nakos

Start date

Jun 2023

Biography

Sotirios joined Aviva Investors as an Assistant Fund Manager in the Multi-Asset team, before moving into the fund management role. Before joining, Sotirios completed internships with PwC and Crowe Horwath. Prior to this, he served in the Greek army for a year. Sotirios holds a Bachelor's degree in Accounting and Finance from Athens University of Economics and Business, and an MSc in Finance from London School of Economics. He is also a CFA® charterholder.

Management Company

Aviva Investors UK Fund Services Limited
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London
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EC3M 4AE

Custodian

J.P. Morgan Europe Limited

Investment Adviser

Aviva Investors UK Fund Services Limited

Auditor

PricewaterhouseCoopers

Appendix

STRATEGY	INDEX
Global Equity	FTSE All World NR GBP
UK Equity	FTSE AllSh TR GBP
US Equity	FTSE AW North America NR GBP
Europe Equity	FTSE Developed Europe ex UK NR GBP
Emerging Equity	FTSE Emerging NR GBP
Pacific ex Japan Equity	MSCI AC Asia Pacific ex Japan NR GBP
Japan Equity	FTSE Japan NR GBP
Global High Yield	Bloomberg Global High Yield TR Hdg GBP
Global Credit	Bloomberg Gbl Agg Corp TR Hdg GBP
Global Sovereign Bonds	Bloomberg Gbl Agg Treasuries TR Hdg GBP
UK Gilts	Bloomberg Sterling Gilts TR GBP
Global Inflation Linked Bonds	Bloomberg Wld Govt Infl Lkd TR HGBP
Listed Real Estate	FTSE EPRA Nareit Developed NR USD
Listed Infrastructure	MSCI World Infrastructure NR USD
Oil	DJ Cmmdty Crude Oil TR USD
Gold	DJ Cmmdty Gold TR USD
Commodities	DJ Cmmdty TR USD

Important information